

BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION
ASSESSMENT APPEALS COMMISSION

Appeal of:	AJAX PROPERTIES LLC)	
	Map 41, Parcel 87.02)	Montgomery
	Commercial Property)	County
	Tax Years 2004-2005)	

FINAL DECISION AND ORDER

Statement of the case

The taxpayer has appealed the initial decision and order of the administrative judge, who determined the subject property should be assessed as follows for 2004:

Year	Land	Improvement	Total value	Assessment
2004	\$453,100	\$1,921,000	\$2,374,100	\$949,640

The appeal was heard in Nashville on December 13, 2005 before Commission members Stokes (presiding), Brooks, Ishie, Wade,¹ and White. The taxpayer was represented by Mr. J.O. Catignani, an agent registered with the State Board of Equalization, and the assessor was represented by a deputy, Robert Hunt, CAE.

Findings of fact and conclusions of law

The subject property is 12.07 acres improved with a 68,000 sq. ft. beer distribution warehouse that includes office space, parking, and a truck wash, constructed in 1996. Both the competing appraisers relied principally on the cost approach, but their conclusions are quite different. Mr. Catignani estimated reproduction cost at about \$31 per square foot, while Mr. Hunt concluded average replacement cost at \$47.75 p.s.f. Mr. Catignani deducted depreciation of 28% and added undisputed land value of \$600,000 to yield \$2.14 million as his value by the cost approach. Mr. Hunt deducted 23% depreciation and concluded the property was worth \$3.1 million with the land.

The taxpayer is appealing the initial decision and order of the administrative judge and bears the burden of proof. The Commission finds that Mr. Hunt's cost approach is better substantiated. Mr. Catignani's conclusions regarding the quality of the structure are not borne out by the testimony, which indicates that both the roof and the floor should be higher rated than Mr. Catignani considered them in his cost estimate. Further, Mr. Catignani's comparable sales do not appear to enjoy the locational advantages of the subject. Accordingly, we find no basis to disturb the recommendation of the administrative judge.

ORDER

¹ Mr. Wade and Mr. Ishie sat as alternates in the absence of regular members who were unavailable, pursuant to Tenn. Code Ann. §4-5-302.

It is therefore ORDERED, that the initial decision and order of the administrative judge is affirmed and the values and assessments determined as follows for the years at issue:

Year	Land	Improvement	Total value	Assessment
2004-2005	\$453,100	\$1,921,000	\$2,374,100	\$949,640

This order is subject to:

1. Reconsideration by the Commission, in the Commission's discretion.

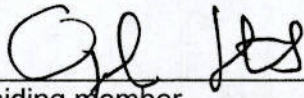
Reconsideration must be requested in writing, stating specific grounds for relief and the request must be filed with the Executive Secretary of the State Board within fifteen (15) days from the date of this order.

2. Review by the State Board of Equalization, in the Board's discretion. This review must be requested in writing, state specific grounds for relief, and be filed with the Executive Secretary of the State Board within fifteen (15) days from the date of this order.

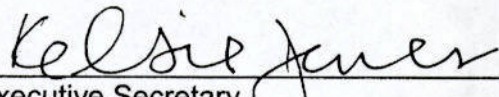
3. Review by the Chancery Court of Davidson County or other venue as provided by law. A petition must be filed within sixty (60) days from the date of the official assessment certificate which will be issued when this matter has become final.

Requests for stay of effectiveness will not be accepted.

DATED: May 2, 2006


Presiding member

ATTEST:


Executive Secretary

cc: Mr. J. O. Catignani
Mr. Robert Hunt, CAE, Assessor's office